Workload Prioritization and Sequencing

Federal Aviation Administration

Presentation to Software Conference

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Budget Challenges

- FAA Aviation Safety organization (AVS) has a shortfall of $30 million in 2005

- AIR's share of the shortfall is $6.8 million

- Challenge being met by:
  - Reducing payroll through attrition
  - Hiring freeze
  - Reducing travel significantly

- Fewer people means we must absolutely focus on our Aircraft Certification (AIR) priorities

What does this mean?

Reduction in payroll:

- Approximately 64 positions through attrition only – as people leave, the resulting vacancy is not filled
- Expect that many of these will be technical and critical safety support staff

What does this mean?

Hiring freeze:

- All vacancies are subject to review from a corporate perspective

- Does not affect the open Software CSTA position – this position will be filled

Travel

- Unable to attend as many conferences, meetings, etc.

- Do not expect that it will affect next Software Conference

AIR Priorities

AIR is responsible for*:

- Continued Operational Safety (COS)– existing fleet
- Regulations and policy
- Aircraft Certification

As our resources diminish, we must prioritize our work in order to ensure that critical safety related work continues to receive the attention that it requires.

* In order of priority

Sequencing of Certification Projects

Our commitment to COS and Regulations/Policy can not be reduced:

- With diminishing resources available for certification work, projects must be sequenced in some fashion

- AIR management has developed a strategy to ensure we don't make commitments to new projects that we cannot support as our staffing levels decrease

- This plan is applied nationally so as not to burden any one office

Effect on Our Customers

- Committed projects will continue to be processed until completed

- Projects requiring less than 40 hours of FAA AIR support will be worked as usual through your ACO

- New certification projects will be managed and scheduled to ensure our commitments do not exceed our resources

- As projects are completed, we'll take on new ones

- Approach is safety-based, fairly and consistently implemented

Approach

- Data-driven
  - Based upon defined criteria
  - Implemented at the ACO level
  - Results maintained at Directorate level
  - Resources logically reallocated as necessary at Service level
- Risk-based
  - Safety focused
  - Assumes all projects will be worked but some delayed due to resource constraints
  - Consideration given to company contribution and date of application

Process - Application

- Accepted as usual
- First sorted by Category
  - Cat 1: Less than 40 hours
  - Cat 2: 40 to 120 hours
  - Cat 3: 120 to 600 hours
  - Cat 4: Over 600 hours
- All Cat 1 handled by the ACO as usual
- Evaluated nationally for sequencing
- Delay letters, when appropriate
- Applicants provided with estimate of when project will commence within 90 days of delay letter
- When resources become available, applicant is notified and work proceeds on project as usual

Process – Project Prioritization

- Factors we consider
  - Safety benefit (assigned a Safety Index (SI))
  - Company contribution, e.g., level of delegation proposed
  - Date of application

- All projects are placed in one of three "buckets":
  - Bucket 1: Short term safety benefit ($SI \geq 200$)
  - Bucket 2: Long term safety benefit ($100 \leq SI < 200$)
  - Bucket 3: Minimal safety benefit ($SI < 100$)

- Projects are then prioritized within these buckets.

Encourage applicants to develop a robust certification plan….

- General description of the project, including safety benefit, if any

- Proposed certification basis

- How compliance will be shown, e.g., test

- Documentation you plan to submit to show compliance

- Project schedule

- How delegation will be used

Process – Managing Delayed Projects

- National database
- Weekly, corporate assessment
- New projects added as ongoing projects completed – currently at a ratio of 3:2
  - Safety benefit, Company Contribution, Date of Application all in play
  - Effort made to keep projects with geographic ACO when resources are available locally
  - If resources not available locally, project management will stay with geographic ACO and engineering/flight test expertise will be shared across offices
- Director / Deputy Director of Aircraft Certification approves weekly
- Aircraft Certification Management Team (ACMT) monitors

Validation Programs

- Validation programs go through same process as domestic programs

- Assessment of safety benefit and company contribution

- Adds dimension of support from bilateral partner

- Process for providing technical assistance to other authorities will remain unchanged

  - Relies on "contractual" agreements, e.g., bilateral or reimbursable agreements

Domestic Military Projects

- Certification programs (TC, STC, ATC, ASTC) supporting U.S. Department of Defense (DoD) procurements

  - Funded under Memorandum of Agreement (MOA) with DoD

  - Not subject to Workload Prioritization

  - Applications go to Military Certification Office in Wichita, Kansas

Recent Process updates

- Added PMA for test and comp (over 40 hours) to sequencing effort

- Added Type Design changes to sequencing effort to ensure level playing field between manufacturers and modifiers

- For projects with foreign customer – give priority to domestic customers if all else is equal

- Sort Bucket 3 by date of application (not company contribution)

Progress

- Initiated projects include:

    ► **ALL** projects in **Bucket 1** (Safety Index: SI $\geq$ 200 -- *short term* safety impact)

    ► **ALL*** projects in **Bucket 2** (100 $\leq$ SI < 200 -- *long term* safety impact)

    ► For **Bucket 3** (SI < 100 – *minimal* safety impact) we sort by date of application. Ensures consideration for time in queue -- to date no project has been on list more than 90 days

    *Note: The only Bucket 2 projects that have not been turned on are because of applicant-specific issues

Progress

- 144 Projects Completed

    - 121 CAT 2,

    - 22 CAT 3,

    - 1 over 600 hours

- 109 delay letters sent

- 93 Projects Initiated

    - 74 CAT 2,

    - 17 CAT 3,

    - 2 over 600 hours

- 6 projects have been reassigned to another ACO

SUMMARY

This is an evolving process based on continuous evaluation of:

- Rate of attrition

- Effect of attrition on individual offices

- Impact to applicants

- When hiring resumes, it will be done from a corporate perspective.

NOTE: House Subcommittee has recommended that AIR be funded to recover all positions lost this year however President's '06 budget does not contain funding to do this.